

MEETING MINUTES

Meeting: Evergreen Visioning Project Task Force

Date/Time: February 24, 2005 at 6:30 p.m.

Location: Evergreen Valley High School, 3300 Quimby Road

Task Force Members Present:

Alan Covington, Caroline Navarro, Chris Corpus, Daniel Gould, Daniel Jacobs, Freda Wang, Garth Cummings, Gordon Lund, Homing Yip (Vice Chair), Ike White, Jenny Chang, Jim Zito, José Aranda, Khanh Nguyen, Maria Lopez, Mark Milioto, Mike Alvarado (Chair), Sherry Gilmore, Steve Tedesco, Tian Zhang, Tom Andrade, Victor Klee, Vikki Lang, Vince Songcayawon

Members of the Public Present: (Missing sign-in sheet)

Developer Community Present:

Bo Radanovich, Gerry DeYoung, Tom Armstrong

Staff Present:

Council Member Dave Cortese, Laurel Prevetti, Dave Mitchell, Andrew Crabtree, John Baty, Rabia Chaudhry

A. Old Business

Meeting called to order at 6:38 p.m.

The minutes of the previous meeting were read

MOTION by Tom Andrade to approve minutes of 1/12/05 Task Force meeting.

MOTION APPROVED

The current agenda was reviewed and confirmed.

B. Approve Chair / Vice Chair for March Meeting

MOTION by Ike White to retain current Chair and Vice-Chair for future Task Force meetings.

MOTION APPROVED

C. EVP Process Report

Laurel Prevetti presented an overview of the Evergreen Visioning Project referencing a handout, "Revised Key Elements Diagram".

(see Appendix for overview details)

Bo Radanovich, representing the consortium of property owners and developers of the four opportunity sites, set forth his group's goals and proposal.

(see Appendix for additional details)

Chair Mike Alvarado provided a brief introduction to the work the Task Force has been doing with respect to arriving at study ranges for the EIR project descriptions.

(see Appendix for additional details)

D. Introduce EVP Task Force Motion Regarding EIR Study Ranges, EIR Project Description, and EIR Purpose Statement

Jim Zito gave a powerpoint presentation, "Task Force Sub-Committee Recommendation", that compared the Task Force recommendation with the developer's recommendation.

Vince Songcayawon provided background information for how the Task Force could justify adjusting some of the assumptions made by the developers, such as sales price.

(see Appendix for additional details)

The EVP Task Force Secretary read the Task Force's proposed motion into the record:

"The Task Force recommends that Dave Cortese recommend to the City Planners to study the following project alternatives in the EIR for the Evergreen Visioning Project:

Alternative 1 – 3800 units on the four subject and additional background sites, distributed as follows: 1675 on Arcadia, 950 on Industrial, 540 on PHGC, 275 on EVCC and 360 background units.

Alternative 2 – 4200 units on the four subject and additional background sites, distributed as follows: 1850 on Arcadia, 1050 on Industrial, 600 on PHGC, 300 on EVCC and 400 background units.

Alternative 3 – 4600 units on the four subject and additional background sites, distributed as follows: 2025 on Arcadia, 1150 on Industrial, 660 on PHGC, 330 on EVCC and 435 background units.

In each case, the ratio of unit owner occupied, commercial, retail and recommended amenities should remain proportional. Of course the "No Project" alternative will be studied as required by CEQA statute."

MOTION by Vince Songcayawon to adopt proposed recommendation as read by the EVP Secretary. (Discussion heard under Item E, Vote called in item F)

E. Public Comments Relative to Item D

Chair Mike Alvarado opened the floor for Public Comments.

J. Portales- Proposal is too much for Evergreen College. More than 200 is too much.

Ellie Glass- Mike Alvarado, in a meeting with the Cabana Club, gave the neighbors false hopes that proposal wouldn't pass EIR. In a conversation with Jim Zito told that proposal would pass EIR, because an EIR is not pass/fail. The proposal is way too many homes and will impact [our] community most.

Carolyn Bushnell- Thanked the Task Force for taking a lot of time and doing their own investigations, not just taking information that is handed to them. Concerned that Task Force has been criticized in newspapers and by Dave [Cortese] for dragging their feet. Consensus is not possible.

Dave Zenker- Neighbor of the [Evergreen Community] College. Recognized that the Task Force has done a lot of work. Disappointed that developer's are proposing 5,700 units and disappointed that Task Force is proposing 4,200 units. The Developer's sit in the back of meetings and snicker and that's B.S.

Sherry Gilmore (Task Force member) interjected that the proposal is for the EIR, not necessarily an endorsement.

Sal Alvarez- Resident of Evergreen for 40 years; Eastside for 60+ years. Community advocate, representing Latino lawyers and professional groups. Concerned with development in Evergreen; affordability and gentrification. Need a new High School.

Lori Truitt- Resident next to [Pleasant Hills] Golf Course. Has been coming to [Task Force] meetings. Concerns: amenities [in exchange for] additional housing, additional people, and additional traffic. Are the amenities going to help? Is [the proposed number of units] for a study or for making a decision?

Jim Zito and Mike Alvarado (Task Force members) answered that the proposed numbers are for study purposes.

Dave Mitchell of the Parks, Recreation and Neighborhood Services Department commented that if the developers went through the normal process, 3,000 single-family detached residences would generate 31 acres of raw land (no improvements), or 4,500 multi-family units would generate 31 acres of raw land (no improvements). By not going through the normal process the community is getting "more bang for the buck".

A member of the community commented that he would like to see more open space, more soccer fields and maybe less units.

Another member of the community noted that he had not heard of any proposal on keeping a portion of the golf course and asked how many Task Force members live north of Tully Road. He added that he didn't think transit was going to help, thanked the Task Force for their work and asked for some assurance that the proposed homes would be of high quality.

MOTION by Jim Zito to close Public Comments.

MOTION APPROVED

F. Discussion by Task Force Members, Vote on Item D

(see Appendix for discussion)

VOTE by show of hands approving motion from Item D:

24 Ayes, 0 Noes, 0 Abstained

G. Other Topics

1. Laurel Prevetti presented three topics
 - i. Retail study status with brief overview
 - ii. Amenities list
 - iii. Outreach(see Appendix for details and discussion)
2. Alan Covington presented proposed amendments to the Guiding Principles
(see Appendix for details and discussion)

H. Review of Open Information Items

The Evergreen Visioning Project Task Force Secretary presented the handout Task Force Log of Information Items.

I. Next Agenda

In addition to the items already listed on the agenda, the following item was suggested:

- Adopt a motion to formally hear what community recommends/says

J. Public Comment

Ellie Glass stated that she wished more members of the community could attend [Task Force meetings], and expressed the need to nail down a location and time [in advance of the meetings].

Steve _____ commented that he would like to see more commercial on this side of town, there is a need to address commercial parking in neighborhoods (car dealer parking cars in neighborhood). Schools need to be addressed. Kids need protection crossing White to Lake Cunningham.

Mr. Legaspi asked Laurel Prevetti when the Environmental Report would be ready.

Laurel Prevetti answered summer, hopefully July 2005.

Lori Truit asked if with the 3 alternatives if there was any consideration for a lesser number of units?

Laurel Prevetti responded that that was an issue that would need to be looked at quite carefully. The whole objective of the Evergreen Smart Growth Strategy is to balance amenities, with transportation improvements

and development. Too few units won't deliver the whole package. With the numbers that are being talked about today, we don't know if everything can be delivered.

Lori Truit asked if there was any reason why there are no plans for leaving any open space in District 8.

Laurel Prevetti responded that one thing we haven't talked about is the amenities that equal open space. Not everything will be paved, there is significant open space.

Lori Truit, with respect to the last paragraph of the Task Force motion, asked about the ratio of commercial and where the proportions are stated?

Jim Zito answered that the general assumptions are dispersed.

Lori Truit asked where she could get the information [on assumptions]?

Jim Zito responded that the assumptions are not exact numbers, and offered to have that information available by the next [Task Force] meeting.

Dave Zenker commented that community feedback is important at this [Task Force] meeting and that workforce housing is a myth, adding that Police and Fire Fighters won't take advantage of workforce housing.

Ellie Glass asked when the zonings would be filed.

Laurel Prevetti answered that proposed General Plan changes would come first, then the owners may file zonings and added that it is possible for the EIR to cover the zonings, but that it depends on when those are submitted.

Ellie Glass asked if there are any [of the opportunity sites] up now for rezoning.

Laurel Prevetti answered that the only submittals have been Preliminary Reviews, nothing formal, no applications yet. Applications will show up on the web site, at least in terms of project descriptions.

Ellie Glass asked when Laurel Prevetti thought the Golf Course would file their rezoning?

Laurel Prevetti answered, possibly this spring, maybe for all four sites, but can't speak for the developers.

Ellie Glass asked if there would be opportunities for meetings to comment on zonings?

Laurel Prevetti indicated that the City's Outreach Policy requires community meetings with a broad mailing list and suggested that neighbors could help in letting their neighbors know.

Ellie Glass asked, how much advanced notice would there be?

Laurel Prevetti answered 10-days/2-weeks prior to the community meeting.

A member of the community commented that he hasn't heard any strong study on Tully/King.

Jim Zito responded that he has a copy of the traffic study from the City, but that mitigation for the traffic problems is the more pertinent issue, and that the EIR would make it clear.

Lori Truit asked about 101 improvements.

Jim Zito answered that there are proposed 101 improvements at Tully and Capitol/Yerba Buena

A member of the community asked about Capitol and 680

Mike Alvarado indicated that Capitol and 680 is not in District 8.

K. Adjourn

The meeting adjourned at 9:00 p.m.

MEETING APPENDIX

A. Old Business

No discussion.

B. Approve Chair / Vice Chair for March Meeting

No discussion.

(See Minutes for Motion)

C. EVP Process Report

Laurel Prevetti presented an overview of the Evergreen Visioning Project referencing a handout, "Revised Key Elements Diagram".

Laurel reminded the Task Force of the goal of balancing growth, transportation improvements and amenities.

Laurel indicated that we are at the point in the process diagram where a preliminary project description would be developed. The preliminary project description would, for the four opportunity sites, describe how many housing units and how much commercial with discussion on the development of leftover properties. Laurel mentioned that this is a unique process in that the property owners are willing to pay beyond the normal fees for 101 improvements and amenities. The project description allows the City to initiate the formal environmental review process and ultimately to provide the City Council with the best information for future land use decisions.

Laurel stated that in March the City would have preliminary refined traffic numbers and draft elements of the Evergreen Development Policy (EDP), which is the traffic policy that marries the amount of development with traffic improvements and amenities.

Laurel noted that there would be public outreach throughout the process

Bo Radanovich, representing the consortium of property owners and developers of the four opportunity sites, set forth his group's goals and proposal.

Bo stated that his group's goal is to create balance with the "3 legs of the stool". His group was chartered with delivering the amenities package and infrastructure package. In order to do so, and give the property owners enough return/incentive they tried to create a mix that pays attention to the work the task force has done to date along with the Guiding Principles.

Bo stated the mix that his group came up with: 1,875 units on Arcadia, 500 units on Evergreen College, 825 units on Golf Course, 1,950 on Industrial lands and 525 background units.

Chair Mike Alvarado provided a brief introduction to the work the Task Force has been doing with respect to arriving at study ranges for the EIR project descriptions. The Chair reminded the group that there are existing traffic problems and an existing need for amenities. The Chair acknowledged that a lot of people would prefer no development, but asked what are the opportunities to move forward.

Chair Alvarado commented that the City is not the exclusive holder of information and noted that over the last six weeks the Task Force has been working with the developers to try to understand developer's position on financial viability.

Chair Alvarado stated that the Task Force understands that the delicate balance includes quality of life considerations. The Task Force also understands that if you look at existing traffic violating existing policy [EDP], things don't always turn out like planned.

Chair Alvarado suggested that the project would be a success if residents think as a community (Mount Pleasant, North Evergreen, Evergreen, West Evergreen). Unless we think as a community we'll never get to where we want to go.

Chair Alvarado summed up his introduction by exclaiming that the Task Force has come up with a compelling recommendation to get all the amenities and traffic improvements at a lower number of homes.

D. Introduce EVP Task Force Motion Regarding EIR Study Ranges, EIR Project Description, and EIR Purpose Statement

Jim Zito opened by giving credit to Bo and the developer's negotiating team for their willingness to meet with the Task Force negotiating delegation.

Jim explained that when the Task Force delegation came to the developer's group with a 3,450 unit proposal the developer's stated that the Task Force proposal wouldn't generate the proposed traffic improvements and amenities.

Jim described the developer's proposal for 5,150 units and 525 background units for a total of 5,675 units that would generate approximately \$242 million in improvements.

Jim went on to explain how the Task Force delegation took the spreadsheets provided by the developers and tweaked a few things (selling price, amenity dollars/unit and land cost) to come up with a

total of 4,200 units (1,850 Arcadia, 1,050 Industrial, 600 Pleasant Hills, 300 Evergreen College, and 400 background) that would result in a higher return on investment for the developers, increased amenities, with fewer units.

Jim stated that the Task Force will be recommending for EIR study purposes 3 ranges of units: 3,800 units, 4,200 units and 4,600 units.

Mike Alvarado introduced Vince Songcayawon and noted that he has been in the development business for many years.

Vince Songcayawon added that he has been a real estate broker since 1982 and has lived in the Evergreen area since 1979.

Vince noted that when it comes to real estate figures, the numbers differ slightly and suggested that if the owner's/developer's were willing to sharpen their pencils they could make well over \$400 million without having to build more than 4,200 homes.

Vince described three differences between the Task Force and Developers:

- Dwelling unit price per square-foot. The developer's numbers show between \$325 and \$333 per square-foot. The Task Force is recommending between \$357 and \$367 per square-foot. The facts support a higher number, \$398 per square-foot.
- Commercial development paying toward amenities fees. The developer's propose \$0. Under the Task Force proposal commercial could generate another \$8.39 million.
- Unit mix at Arcadia. The developer's are proposing 200 townhouse units, and 1,300 multifamily units (for sale units being only 11% of the total). Vince noted that for sale units get re-assessed with each sale equaling additional property taxes; multi-family does not share the same taxation burden. The Task Force is proposing 50/50 ownership/rental. The developer's proposal generates \$21 million. The Task Force proposal would generate \$52 million.

(see Minutes for Motion)

E. Public Comments Relative to Item D

(see Minutes for Public Comments)

F. Discussion by TF Members, Vote on Item D

Jim Zito expressed his appreciation for the community's involvement, noted that the developers have put a lot of time and effort into the process as well and that a lot of good work has been done, although there hasn't been an agreement on a number [of units].

Jim explained that the numbers talked about today are just for environmental study purposes, not the final step in the process. The EDP ultimately determines the number of units, traffic improvements, amenities, and developer contributions. The Task Force realizes things are going to change and they are trying to strike a balance between quality of life and the developers ROI.

Jim asked, why is Task Force was recommending their number? Jim answered that the Task Force doesn't feel the need to study more than 4,600 units, although some have suggested 7,000 or 10,000 units, the Task Force truly believes that the goals of all amenities and all transportation improvements can be achieved with 4,600 units. Also if [the EIR studies] a higher number there is a fear that the project could grow.

Steve Tedesco asked for clarification on the last paragraph of the Task Force proposed motion.

Jim Zito explained that the amount of commercial/retail would be proportional to the number of units; the same ratios.

José Aranda stated that 4,600 units max would be okay, but the numbers should be tweaked for the four sites. The community wants a lower number on Arcadia.

Jim Zito noted that it would still be possible to tweak the numbers because this is not the end of the process. The EIR is a high level review.

Tian Zhang suggested that when the Task Force first looked at the Evergreen College site, whatever the number of units, the college wouldn't contribute much to the amenities. Tian suggested that the college land be reserved for school use.

Jim Zito noted that the college would contribute to amenities and that development of the site is consistent with the Guiding Principles.

Khanh Nguyen noted for the record that he has not attended any Task Force Caucus meetings and that he feels this [Task Force process] is a public process that the Caucus took away from, but he thanked the Caucus for its work. Khanh suggested that the Task Force needs to come up with a number and discuss it with the community so there are no surprises and so the process has transparency. When City staff initially presented the plans to West Evergreen the community agreed to go with density and see what that could do for the community. In September 2004 when the proposal was for all rental at Arcadia that triggered alarms. At a January 2005 meeting with West Evergreen it was suggested that maybe the community doesn't want all of the amenities and the question asked what can be deleted to lower the number of units. Some in the community have the, "done deal" mentality and the Task Force should emphasize that this is just the starting point. The community process has been absent. The Task Force should go to the community and solicit feedback and

continue meeting with the community to find out what the community really wants. Arcadia is taking the burden of affordable housing for the four sites, bring this to the community for input, maybe they'll support or maybe not.

Freda Wang asked a question to the developers, if the school impact study shows the need for schools, how does the ability to provide schools change with the different scenarios?

Bo Radanovich answered that it would be difficult to answer that question tonight. Once it is decided what the scenarios are then can find out school needs based on those scenarios.

Garth Cummings noted that he understands that school issues don't show up in the EIR, but they should show up on the process diagram.

Tom Andrade added that under all three proposals Evergreen and Mount Pleasant would need additional schools (Industrial, Arcadia, and Pleasant Hills Golf Course).

Sherry Gilmore in a request to Laurel Prevetti, asked as we are going into the EIR process, that the appropriate amount of weight be given to what the Task Force and community has to say as the community has to bear the weight of any decisions.

Homing Yip noted that the land owners are going to make lots of money if you compare today's land costs versus if the land is converted to residential.

Chair Mike Alvarado asked for the developer's final comments.

Bo Radanovich expressed his appreciation for the Task Force's work and willingness to try to understand the developer's position and reminded everyone we're just at the point in the process to kick off the study.

Chair Mike Alvarado noted that this is a serious process, and although it is painful to look at some alternatives, nobody can pre-judge the outcomes. The Task Force looked at the available data and with confidence can say that there is no point in studying more than 4,600 units. The question before the Task Force is, with the numbers in the motion, can the Task Force agree on those numbers to kick off the study-phase?

(See Minutes for details of Vote)

G. Other Topics

1. Laurel Prevetti presented three topics

i. Retail study status with brief overview-

Laurel Prevetti informed the Task Force that the preliminary draft of the retail study has been completed and is currently being reviewed by staff. The study is based on demographic data and shows that the area is deficient in retail. The study looked at existing and

projected housing to determine additional retail needs and the various formats of retail. Staff needs to do fact checking on consultant's work and may need to run a bit more analysis. Staff hopes to distribute the study before the next meeting and will post it on the website.

ii. Amenities list-

Laurel Prevetti, referring to the amenities/transportation improvements handout, noted that the Task Force has not looked at the list since June. Staff has been asked to estimate some land value assumptions. The revised list represents simple update with no assumption of priorities. The Task Force needs to revisit the list. For transparency purposes the list is public and will be posted on the website.

Dan Jacobs asked why the Thompson Creek Trail is a transportation improvement?

Laurel Prevetti answered that the trail can be used for commute trips.

Jim Zito asked if Laurel Prevetti could speak to the estimated land costs.

Laurel Prevetti answered that the estimated land costs represent staff's best-guess of land costs.

Dave Mitchell added that the land values were calculated by an appraisal firm for purposes of calculating park impact fees. The City is currently using 2003 numbers, 2004 numbers will be available in April.

Bo Radanovich noted that in order to deliver the amenities list it takes approximately 31 acres of land.

Homing Yip stated that open space is only ¼ the cost of residential land.

Laurel Prevetti added that the land cost assumed fair market value of raw land, no housing, no improvements and when land is contributed there is a value associated with it.

Freda Wang asked what happens if the school study shows a need for land for school?

Laurel Prevetti answered that the land reserved for schools is in addition to the amenities land.

iii. Outreach-

Laurel Prevetti stated that this is a public process and that outreach is critical. Staff has been attending various meetings with many different groups throughout the entire process. Schools have been an ongoing issue and is one that we need to stay on top of.

Ultimately there will be broader town hall meetings. The developer's will continue to have their own outreach meetings. Other outreach efforts include, a new information brochure (mass mailing), and website updates.

José Aranda expressed his hope that the retail study was not duplicating Eastridge. He would like to see professional services and restaurants.

Laurel Prevetti responded that the retail study will consider.

2. Alan Covington presented proposed amendments to the Guiding Principles

Alan Covington, referencing the handout on proposed changes to the Guiding Principles, explained that the changes were a tuning up of the Guiding Principles to provide clarification on the original wording. This is an opportunity for full Task Force consideration. The kinds of changes on the handout are identified by the side bars and words in italics.

The changes include:

- Changing the title to be inclusive
- Economic development expanded to be consistent with economic development goals
- Various wording changes
- Add adequate funding commitments
- Not the Task Force's business to determine funding mechanism for light rail construction
- Add assurance of viable plans and funding in place before development proceeds

Ike White expressed his appreciation for the taking away "Evergreen" [from the title] because approximately 5,000 residents don't identify the area they live in with Evergreen.

Jim Zito asked Council member Dave Cortese if the proposed changes meet with the overall intentions

Council member Dave Cortese answered that he would need to think about the changes with careful consideration. He needs to think about what the possible consequences are. One concern is if the rules are changing that presents a moving target.

Alan Covington responded that the proposed changes were not to change the intent of the Guiding Principles, but was an attempt to clear-up/clarify some items.

Council member Dave Cortese told the Task Force that he would take the proposed changes and study them. He commented that the Task Force spent seven months to come-up with the Guiding Principles.

Chair Mike Alvarado noted that this item on the agenda is not an action item. It can be an item for future consideration.

Tom Andrade added that this item is a first reading, that there would be a later reading and then action taken.

Gordon Lund suggested that an important consideration in the creation of jobs, which is not stressed enough in the Guiding Principles. Also, once capital improvements are in place like parks the City is already strained to maintain existing improvements.

H. Review of Open Information Items

No discussion.
(see Minutes)

I. Next Agenda

Chair Mike Alvarado noted two purposes fulfilled by the Task Force Caucus. There has been a need for extra discussion time not available at the regular Task Force meetings, and there are times when Task Force members feel the need to discuss items confidentially. Anything discussed at Caucus meetings will always be ratified before the entire Task Force and public.

(See Minutes)

J. Public Comment

(See Minutes for Public Comment)

K. Adjourn